OIL. GAS & MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA

August 8, 2011

Darrell Nielsen Grantsville West Industrial Park LLC 996 E Woodmoor Drive Bountiful, Utah 84010

Subject: Reclamation Surety and Cultural Resource Survey Required, Grantsville West

Industrial Park LLC., Flux Mine Project, S045/0080, Tooele County, Utah

Dear Mr. Nielsen:

The referenced Notice of Intent to Commence Small Mining Operations (NOI), received by the Division on August 02, 2011, is complete <u>with the exception of the</u> <u>reclamation bonding and cultural resources survey requirements.</u> The reclamation surety is determined to be \$8,200 for a 5 year escalation (until 2016). This was determined based on:

| Small Mine Operation Bond Calculation Worksheet S/045/0080 5-year escalation (2016) | | | |
|--|---|------------|------------|
| | | | |
| 1st Acre Disturbance | 1 | \$8,200.00 | \$8,200.00 |
| Add'l Acres Disturbance | 0 | \$4,900.00 | \$0.00 |
| Add'l equipment mob (over 5 acres) | | \$3,000.00 | \$0.00 |
| TOTAL - 1 ACRE | | | \$8,200.00 |

Please submit the reclamation surety and the cultural resources survey within the next 30 days. No mining related disturbance may be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at (801) 538-5291 or e-mail bondcoordinator@utah.gov for assistance in completing this requirement.

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Please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257 if you have any questions regarding this letter. In reply please refer to file number S/045/0080.

Sincerely, Thought Wheter for Naul Balley

Paul B. Baker

Minerals Program Manager

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